

Self-Help Homeownership Opportunity Program (SHOP)

Grants for self-help housing.

Nature of Program: SHOP authorizes HUD to make competitive grants to national and regional nonprofit organizations and consortia that have the capacity and experience in providing or facilitating self-help homeownership housing opportunities. Grants are to be used by the grantee or its affiliates for eligible expenses in connection with developing non-luxury housing for low-income families and persons who otherwise would be unable to afford to purchase a house. Eligible expenses for grants are limited to land acquisition (including financing and closing costs), infrastructure improvements (installing, extending, constructing, rehabilitating, or otherwise improving utilities and other infrastructure), and administrative costs (up to 20 percent of the grant amount). Total land acquisition and infrastructure improvement costs cannot exceed an average of \$15,000 in SHOP assistance per unit. Homebuyers must contribute a significant amount of sweat equity toward the construction of their homes. SHOP also requires community participation through volunteers who assist the homebuyers on the construction of the homes. Assisted units must be decent, safe, and sanitary non-luxury dwellings that comply with local building and safety codes and standards. These units must be sold to eligible low-income homebuyers at prices below the prevailing market price.

Applicant Eligibility: National and regional nonprofit organizations and consortia.

Legal Authority: Section 11 of the Housing Opportunity Program Extension Act of 1996 (42 U.S.C. 12805 note).

Administering Office: Assistant Secretary for Community Planning and Development, U.S. Department of Housing and Urban Development, Washington, DC 20410.

Information Sources: Administering office.

On the Web: www.hud.gov/offices/cpd/affordablehousing/programs/shop/index.cfm

Current Status: Active.